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FM AMEMBASSY CARACAS

TO RUEHC/SECSTATE WASHDC PRIORITY 3783

INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY

RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001287

SIPDIS

HQSOUTHCOM ALSO FOR POLAD DEPARTMENT PASS TO AID/OTI (RPORTER)

E.O. 12958: DECL: 10/05/2029
TAGS: PGOV PHUM PREL KDEM VE

SUBJECT: GOVERNMENT FURTHER REDUCES SPACE FOR INDEPENDENT

PRESS

REF: CARACAS 1201 AND PREVIOUS

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Classified By: POLITICAL COUNSELOR ROBIN D. MEYER REASON 1.4 (D) $\,$

11. (C) Summary: The Venezuelan government has announced that radio stations will be required to broadcast 3.5 hours/day of government-selected programs and another 2 hours/day of nationally-produced programming. The new rules would also essentially end syndicated radio programming. The government also announced that cable television broadcasters whose content and production were 70 percent or more Venezuelan, who had previously fallen outside the government's broadcast regulations, would soon be required to carry "cadenas," the government-mandated broadcast in real-time of President Chavez' speeches. These two measures significantly increase the pressure on the independence and financial viability of radio and television stations. They are consistent with Chavez's previously stated goal of government control of the media. End Summary.

More Encroachments on Radio Stations

- 12. (SBU) On September 22, the Venezuelan government published a resolution in the Official Gazette requiring that every radio station carry at least 5.5 hours of nationally-produced programming that is independent of the radio station. In addition, out of the 5.5 hours, 3.5 hours will be determined directly by the Ministry of Information and Communication (Minci). The remaining two hours will be decided in agreement between broadcasters and producers selected from a government-provided list. The government will choose the hours when its broadcasts will air.
- 13. (SBU) The resolution also stipulates that any single producer can only have its content aired for a maximum of three cumulative hours a day. For example, a three-hour talk show program that currently airs on five stations across the country (for a total of 15 cumulative hours of airtime) could only air for a combined total of three hours. If enforced, this new regulation would effectively end syndicated radio shows in Venezuela.
- 14. (C) "Union Radio" President Antonio Serfaty told PolCouns on September 29 that the government had not yet informed them how it would implement this new rule. However, Serfaty noted that this government effort to reach a wider audience would fail since listeners would simply tune out during the government programming, as they have with "Radio"

Caracas," whose market share dropped to 2% after the government takeover.

Capturing Cable TV Too

- 15. (SBU) President of the Venezuelan Subscription
 Television Chamber (Cavetesu) Mario Seijas announced on
 September 23 that "national" cable television stations would
 soon come under government regulations. Until now, cable
 stations have been exempt from government broadcasting
 requirements. However, Seijas said that CONATEL, the
 telecommunications regulatory agency, was in the process of
 preparing a ruling that would require subscription television
 stations whose content and production was 70 percent or more
 Venezuelan to follow the "Radio and Television Law on Social
 Responsibility, specifically the requirement to carry
 government broadcasts, known as "cadenas." Currently the law
 only mandates that free-to-air television and national radio
 networks carry "cadenas" in real time and uninterrupted.
 (Note: President Chavez invokes "cadenas" for his Sunday 5-6
 hour "Alo Presidente" television program as well as for other
 speeches and rallies. As of July 28, there had been 75
 "cadenas" in 2009. End Note.)
- 16. (C) Proving that a station does not meet the 70 percent threshold could be difficult. According to Embassy sources, many things could be cited to characterize a program as "Venezuelan." For example, if a program were filmed in another country but the cast consisted of Venezuelan citizens, the program could be considered "national." Even if the headquarters of the station were located abroad, the government could count toward the "national production" quota employees who lived in Venezuela or were Venezuelan citizens,

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or advertisements for $Venezuelan-made\ products\ on\ the\ cable\ station.$

17. (C) Media report that six cable stations could potentially be affected by CONATEL's anticipated ruling: RCTV International, Sun Channel (tourism promotion), Atel, Sportplus, Directtv Sport, and Venevision Plus. However, several sources have privately told Embassy officials that the new regulation "has a first and last name, RCTV." RCTV, which had its free-to-air license revoked in 2007, returned as a cable station. The station has many employees in Venezuela and films much of its own programming in the country. Sources at RCTV said that the requirement to broadcast "cadenas" would significantly affect their advertising revenues and could force them off the air.

Comment

- 18. (C) Combined with
- 18. (C) Combined with the likelihood of selective enforcement, these new radio and cable TV regulations could significantly affect advertising revenues and serve as a backdoor means for closing stations. Radio stations could face the loss of up to 5.5 hours of advertising time and revenue as advertisers avoid hours with lower anticipated listenership. Cable TV stations could face declining advertising revenues as they suspend normally-scheduled programming for "cadenas," during which time they will not be able to sell advertisements.
- 19. (C) The regulations could also encourage more self-censorship as stations try to stay in business. Although the President of Union Radio and the Executive Director of Globovision insisted to Polcouns that their stations did not engage in self-censorship, the owners of the newspaper "El Impulso" and reporters from Union Radio and CNN Espanol privately told Polcouns that self-censorship was widespread. DUDDY